MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Institutional Agreements, Leases and Easements

Date: March 6, 2000

Recommended Action:

Approve the leases for the benefit of the institutions as summarized below. (ROLL CALL VOTE)

Executive Summary:

The Iowa Code requires that agreements, leases and easements involving real property be approved by the Board of Regents by roll call vote. Presented for Board approval this month are six leases for the University of Iowa; the leases have been reviewed by the Attorney General's Office and are recommended for approval. A listing of principals is included as an attachment to this docket memorandum.

The University of Iowa requests approval of the following lease agreements with:

- Phyllis E. Swails for the University's use of warehouse space in Iowa City;
- Response Television Corporation, Syndeo Systems, Digital Artefacts, and Entrepreneurial Learning Systems for their use of business incubator space at the Technology Innovation Center at the Oakdale Campus; and
- Cost, Planning and Management International for its use of space in the Multi-Tenant Facility at the Oakdale Campus.

Background and Analysis:

A. UNIVERSITY OF IOWA

1. PHYLLIS E. SWAILS (Landlord)--The University requests approval to renew its lease agreement as lessee with Phyllis E. Swails for the University's use of 22,759 square feet of warehouse and office space located in Iowa City, Iowa. The space will be leased at the rate of \$7,234.25 per month (\$3.81 per square foot, \$86,811 per year) for a two-year period commencing July 1, 2000 through June 30, 2002. The new rate is an increase of 4.1 percent over the current lease rate. The lease provides warehouse storage space for the UIHC Material Services Department.

The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with Iowa Code §669.

- 2. The University requests approval of the following lease agreements as lessor for business incubator space in the Technology Innovation Center at the Oakdale Campus. In all cases the tenants agree to indemnify, defend, and hold harmless the University as customarily required.
 - a. RESPONSE TELEVISION CORPORATION (Tenant)—The University requests approval to renew the lease agreement with Response Television Corporation for its use of 202 square feet of space at the rate of \$394.57 per month (\$23.44 per square foot, \$4,734.88 per year) for a one-year period commencing April 1, 2000, through March 31, 2001. The new rate, which is an increase of 25 percent over the current lease rate, is consistent with the University's rate schedule for tenants of the Technology Innovation Center.

Response Television Corporation provides interactive access to cable television channels or closed circuit television systems through the use of a touch-tone telephone. Viewers may select information to watch or respond to questions.

b. SYNDEO SYSTEMS, INC. (Tenant)—The University requests approval to enter into a new lease agreement with Syndeo Systems for its use of 550 square feet of space at the rate of \$275 per month (\$6 per square foot, \$3,300 per year) for a one-year period commencing April 1, 2000 through March 31, 2001.

Syndeo Systems specializes in wireless mobile data collection and transmission. The space will be used primarily for the development of software for use by businesses with a mobile workforce.

c. DIGITAL ARTEFACTS, L.L.C. (Tenant)—The University requests approval to enter into a new lease agreement with Digital Artefacts for its use of 264 square feet of space at the rate of \$132 per month (\$6 per square foot, \$1,584 per year) for a oneyear period commencing April 1, 2000 through March 31, 2001.

Digital Artefacts is an information visualization company which provides real-time graphics and simulation solutions for emerging non-traditional markets. Application areas include virtual historical exhibits, liberal arts education, industrial plant and data visualization, and city and regional planning. The space will be used primarily for the development of visual databases, models, and modeling software and tools.

d. ENTREPRENEURIAL LEARNING SYSTEMS, INC. (Tenant)— The University requests approval to enter into a new lease agreement with Entrepreneurial Learning Systems for its use of 264 square feet of space at the rate of \$132 per month (\$6 per square foot, \$1,584 per year) for a one-year period commencing April 1, 2000 through March 31, 2001.

The space will be used to develop an Internet-based business which will provide education to entrepreneurs.

3. COST, PLANNING AND MANAGEMENT INTERNATIONAL, INC. (Tenant)—The University requests approval to enter into a lease agreement as lessor with Cost, Planning and Management International (CPMI) for its use of 830 square feet of office space in the Multi-Tenant Facility at the Oakdale Campus. The space will be leased at the rate of \$1,245 per month (\$18 per square foot, \$14,940 per year) for a one-year period commencing April 1, 2000 through March 31, 2001.

CPMI is the general contractor and construction management firm which constructed the Multi-Tenant Facility. The building was acquired by the University of Iowa Facilities Corporation in November 1995 and is leased to the University for the research activities. The University has subleased the space to CPMI since 1995.

The tenant agrees to indemnify, defend, and hold harmless the University as customarily required.

	Approved:	
Sheila Lodge		Frank J. Stork

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<u>Attachment</u>

Listing of Principals for Leases

March 2000

Lease Principals **University of Iowa UIHC Warehouse Space** Phyllis E. Swails The principal is not affiliated with the University. Response Television Corporation W. Drew Shaffer, President The principal is not affiliated with the University. **Bruce Bailey** Syndeo Systems, Inc. The principal is not affiliated with the University. Digital Artefacts, L.L.C. Joan Severson The principal is a graduate assistant in the Computer Science Department. Entrepreneurial Learning Systems, Inc. **Edward Moldt**

The principal is a professor in the College of Business and the director of the John Pappajohn Entrepreneurial Center at the University of Iowa.

Cost, Planning and Management International Daniel E. West, Vice President

The principal is not affiliated with the University. However, CPMI periodically submits bids and is awarded contracts for University construction projects.